

G
10
1905.9

Scot
Papers
Scott
Papers

THE PUBLIC

LANDS ROBBERY!

How the New Provinces are Plundered
under the Compensation Clauses.

ARE YOU GOING TO ENDORSE IT?

Good Cause for Appeal to the Privy Council.

The complacency with which the ~~ed~~ leader, a platform was drawn up by the Liberals of Saskatchewan are prepared to accept the Autonomy ~~liberal~~ doctrine. This platform Bill's disposition of the public lands contained absolutely no reference shows that the welfare of the province cannot be safely entrusted to from a perusal of the proceedings their keeping. At the convention one would infer that the ownership which met in Regina on August 16, of the lands was a question that when Mr. Walter Scott was elected did not concern the people. When

the Provincial Rights party was organised a week later, a definite stand was taken on the subject of lands. The right of the Dominion to practically expropriate the public lands lying within the province, was seriously questioned, and it was determined that the issue should be decided by the courts. The contrast is significant. The Liberals know that the attitude assumed by their leaders at Ottawa is wrong, and they seek to dodge the issue by making no mention of it in their statement of policy. The reason for this action is easily found. The Liberal platform was drawn up at Ottawa and was sent to the Convention to be nominally ratified. The Federal Government knew that the people of Saskatchewan would not submit tamely to the theft of their lands, and it fervently hoped that nothing would be said on the subject during the campaign.

The Autonomy Bills, as passed by the strength of the Laurier majority in the House of Commons, mean that the lands, which rightfully belong to the people of this province are to be retained and converted by the Ottawa government on account of the payment of a nominal subsidy. This subsidy is granted at the rate of 1 per cent. until the population reached 400,000, at $1\frac{1}{2}$ per cent. from that time until it reaches 800,000, at 2 per cent. from that time until it reaches 1,200,000, and after that time three per cent. The

acreage for all the public lands in the province is placed at 25,000,000, and the value of these is fixed at \$1.50 per acre.

It is no wonder that the Dominion Government and its branch agency, the Scott Administration, do not desire a discussion of these terms. The more they are examined the worse they appear. Did any person ever hear of money being loaned in this province at one per cent? If such a rate were offered by the financial institutions of the country there would be a great scramble on the part of the borrowers. And yet this is to be the rate which the province will receive from the Dominion for many years to come. The rate will be $1\frac{1}{2}$ per cent. for a great many years more. Was money ever loaned at $1\frac{1}{2}$ per cent. in this country? And then 2 per cent. is paid until the population gains another 400,000. Has anyone ever borrowed money at 2 per cent? When the population reaches 1,200,000, and for all time thereafter the rate remains at 3 per cent. Can anyone borrow at the rate of 3 per cent. in Saskatchewan?

The estimate of 25,000,000 acres as the amount of public lands in the province, is open to sharper criticism. A careful calculation of the total area of the province places it at about 275,000 square miles. If allowance be made for lakes, rivers and other bodies of water it would be found that there were about 250,000 square miles, or about 160,000,000 acres of land. Suppose that 60,000,000 acres be deducted at once to cover the area

already settled, the amount set aside for railways, schools and other grants, and lands unsuitable for cultivation. This would leave 100,000,000 acres as public lands. Allow every other section to be taken for homesteading, and the province would still own 50,000,000 acres. But the Dominion Government makes allowance for only 25,000,000.

The arbitrary valuation of \$1.50 per acre marks the limit of Federal aggression. If there is a farm in the Province which can be purchased for \$1.50 per acre its existence is not known now. The average price at which the Canadian Pacific Railway sold its lands last year was \$5.68 per acre, and this was the net return after commissions and other expenses of sale had been deducted. It is conceded everywhere that the best lands of that company were sold long ago, and the fact that it is able to sell its present holdings at \$5.68 is an indication that land values in the west are rather high in comparison with the Dominion Government's price. If the lands of the Canadian Pacific Railway are worth \$5.68 per acre, those of the Province of Saskatchewan are surely worth as much. There would be no exaggeration in saying that they would be worth a great deal more. And the important point is that they are constantly increasing in value. If they are worth \$5 today, with a population estimated at 250,000, they will be worth at least \$8 when the number of inhabitants increases to 400,000. If the same proportion be maintained they will be worth \$16 per acre

when the population is \$800,000, and \$24 when it reaches 1,200,000. Is \$24 an extravagant price for land in this province, on a basis of a population of 1,200,000? At the present time holders in some districts are asking \$25 to \$30.

It is a very difficult problem to establish the real value of the lands expropriated by the Federal authorities. One would be safe in saying that the average price of the entire 50,000,000 acres, if sold at once, would not be less than \$3. The Canadian Pacific Railway is reported to have refused an offer of \$60,000,000 for the balance of its holdings, amounting to about 10,000,000 acres. When it is remembered that this balance constitutes what is left from the original grant of 25,000,000 made by the Dominion Government, one can imagine the enormous value of the 50,000,000 acres wrongfully withheld from the province by the provisions of the Autonomy bills. But let the valuation of \$3 be taken as a basis. The Dominion, therefore, keeps control of \$150,000,000 worth of lands, and pays the province in lieu thereof \$375,000 per annum for several years to come. Even on the miserably inadequate basis of one per cent. the payment should be \$1,500,000 per annum. The ultimate payment, when the population reached 1,200,000 would be \$4,500,000 as compared with \$1,125,000, the maximum payment under the Autonomy bills. To say that the Province is being robbed is to express it tamely.

There are many other ways of approaching the subject. If the lands were turned over to the ab-

solute control and disposition of the Province, an immediate realization would be possible. By advertising these lands for sale in the financial centres of the world, an abundance of liberal offers could be obtained. The sale of the entire lot at a figure not less than \$4 per acre would be easily effected. This would mean that a sum of \$200,000,000 would be immediately available. By investing this sum at 3½ per cent., a matter of little difficulty, a perpetual income of no less than \$7,000,000 would be secured. In comparison to this what is the pittance of \$375,000 allowed by the Dominion Government? The Province could, if it chose, afford to wait until the value of the lands increased, and then sell them piecemeal, at great advantage. An even larger return would be assured by following this method.

The objection that the Dominion needs the lands in order to promote immigration and settlement is a trifling one. Full allowance for this purpose is made in deducting 50,000,000 acres before the share remaining to the Province is calculated. All the immigrants who will be brought to this country by the active agency of the Dominion Government will be here by the time the 50,000,000 acres are exhausted.

There is another phase of the question. The rate of interest allowed by the Dominion is ridiculously low. If the increase of population should come at the rate of 50,000 per annum, it would take about nineteen years to reach the level, 1,200,000, where the maximum rate, 3 per cent. is to be allowed. During all that time the

average payment to the Province by the Dominion on account of lands will be \$562,500 per annum. If Saskatchewan were permitted to realise on her lands at once, an annual income of several millions would be secured. Why may the Province not have the lands?

The very fact that the Federal power has seen fit to make an allowance to the Province "in lieu of lands" is a concession of the proprietary right of the Province. If the Dominion thought that it had the right to take the lands as really belonging to them, there would be no hesitation on the part of the Ottawa authorities in grabbing them. Nothing would be heard about an allowance. As it is the allowance is made with the purpose of stifling any animosity or resentment which may be created as a result of Federal action. It is intended as a bribe or sop to the electoos. Esau sold his birthright for a mess of pottage. Will the people of Saskatchewan renounce their right to \$150,000,000 worth of land because the Dominion Government is willing to pay them \$375,000 per annum?

While the chief asset consists of land, the mines, minerals and timber are of great importance. The development of the Province has not, so far, been concerned with these, but that does not lessen their prospective value to the country. Mining is one of the leading industries of Nova Scotia, and in Ontario it occupies a high place. The timber properties of Ontario

are the principal sources of the revenue of the province. Is there any reason why the possible revenues from similar sources in Saskatchewan should not go to the people of the Province?

A comparison with the older provinces serves to accentuate the gravity of the offence committed by the Dominion Government. Ontario, Quebec, New Brunswick and Nova Scotia were allowed to retain their lands. The fathers of Confederation admitted that under no other condition would the formation of the Dominion have been possible. And now Ontario collects \$3,000,000 annually, Quebec, \$1,300,000, Nova Scotia \$600,000 and New Brunswick \$300,000 as a result of this arrangement. Prince Edward Island was afterwards admitted as a province, and, as it had no public lands it was given an allowance, in a lump sum, to enable it to re-purchase, if it so chose, lands which were held within that province by a few wealthy proprietors. When British Columbia came in, at about the same time, it retained its lands, and now derives an annual revenue of \$750,000 therefrom. The province of Manitoba is the only one, up to the present time, which has been actually deprived of its lands and the action of the Dominion Government at that time has been a grievance in the minds of the Manitoba people ever since. The value of the lands in that instance was comparatively small, and there was less need for resentment than there is in the case of Saskatchewan. The public lands are the chief asset of this Province,

and for a long time to come they will constitute the original source of the bulk of the revenue. Why should Saskatchewan, Alberta and Manitoba be placed in a position inferior to that occupied by the other provinces in the Dominion? Does it not seem that the purpose of the Dominion Government is to exploit the west? It would not dare to take away lands belonging to any province in the east.

But it is not necessary to continue a discussion of the case, from the point of view of political argument. A better method, perhaps, is to consider the real views of those who now argue in favor of the Federal policy of aggression and expropriation. Some extracts from speeches delivered by Mr. Walter Scott in his place as member for West Assiniboia in the House of Commons, may be taken as expressing an authoritative opinion.

In his address on the budget on March 25, 1901, Mr. Scott declared that the acquisition of the Northwest Territories was contemplated by the statesmen who met at Quebec in 1865—the fathers of Confederation; and he quoted from the resolutions of that conference to prove his point. He then said:—"The foregoing quotations show distinctly, first, that the Northwest Territories were acquired for the benefit primarily of the confederated provinces; second, that it was the intention of Canada to extend to the Territories a system of government bearing analogy to those of the provinces, and third, they included a guarantee that the

Territories would be placed on an equitable basis compared with the other provinces. That I take to mean that we would eventually be given a constitutional and financial position which would bear strict analogy to the positions occupied by each of the other provinces."

A few minutes later he said: "I may say that what the people of the Territories will expect, and what they have a right to expect—and that is really the point to which I wish to call the attention of Parliament—is that they will be dealt with on exactly the same basis as the originally confederated provinces dealt with themselves, and be put in exactly the same position as that occupied by the originally confederated provinces. If the proper principle is adhered to, if the principle of absolute equality is observed, if Parliament places the new provinces upon an equitable basis, the local government will be given a proper grant for government, also the per capita grant, and be given anything that may be shown due as the debt allowance. AND THEY WILL BE PUT IN POSSESSION OF THE PUBLIC RESOURCES, LANDS, TIMBER AND MINERALS, IN THE SAME WAY AS THE OTHER PROVINCES WERE PUT IN POSSESSION OF THEIR RESOURCES. I BELIEVE THAT THAT PORTION OF THE CONFEDERATION ARRANGEMENT BY WHICH THE ORIGINAL PROVINCES RETAINED CONTROL OVER THEIR PUBLIC

RESOURCES WAS LOOKED UP ON BY THE FATHERS OF CONFEDERATION AS THE KEY-STONE OF THE WHOLE SCHEME."

Further on, Mr. Scott said:—"When Prince Edward Island was taken into Confederation a grant was voted her for the very reason that she did not have any public land. When British Columbia came in, the public resources were left to the ownership of the Province, except that a strip of her territory, required by Canada for purposes connected with the building of the C.P.R., was taken over, and a purchase price of the amount of \$100,000 annually is being paid to the Province on account of this strip of land which the Dominion took over for Federal purposes."

A little later, in the same speech he said: "THE PEOPLE OF THE TERRITORIES CONTEND THAT THE PUBLIC LANDS OF THAT TERRITORY ARE NOW SIMPLY HELD IN TRUST BY PARLIAMENT UNTIL SUCH TIMES AS PROVINCES MAY BE CREATED IN THAT AREA. They firmly believe that their contention is good. But even if a strict legal or moral right cannot be established by the people of the Territories, to be given possession of their local resources, I appeal to the House whether it would not be unwise and impolitic to create provinces out there on any different basis from that on which other provinces stand. ENTIRE EQUALITY IS

THE ONLY SURE GUARANTEE AND MINERAL RESOURCES OF THE PERMANENCY OF IN THAT PROVINCE SHOULD THE CONFEDERATION STRUCTURE. Is it not a fair proposition that the citizens of the Northwest Territories should be looked upon, in all respects, as equal to the citizens of any other province of Canada?"

Towards the close of his address, Mr. Scott said:—"I trust that when the time comes, whether it comes next year or the succeeding year—and I feel sure that it will come before the end of the term of this Parliament, that Parliament may deal with the question on broad principles, AND ENDEAVOR TO PLACE THE CITIZENS OF THE NORTHWEST TERRITORIES IN A POSITION ENTIRELY EQUAL, IN NO WAY INFERIOR TO THE POSITION WHICH IS OCCUPIED BY THE CITIZENS OF ANY OTHER PROVINCE OF CANADA."

On October 13, 1903, Mr. Scott referred to the trip which R. L. Borden, M.P., made through Western Canada in the fall of 1902. He said: "On behalf of the Northwest Territories I wish to take occasion to thank the hon. leader of the opposition for the expression of opinion which he gave in favor of the view WHICH WE IN THAT COUNTRY UNANIMOUSLY TAKE, THAT WHEN A PROVINCE IS FORMED, IT IS ONLY FAIR, JUST AND PROPER THAT THE LANDS, TIMBER

Sir Wilfrid Laurier, the Prime Minister of Canada, practically ac-

BE HANDED OVER TO THE PEOPLE DWELLING THERE TO BE MANAGED AND OWNED BY THEM. This should be done in the Northwest Territories in the same way as in every other part of the Dominion, except in the Province of Manitoba, which was formed when the Conservative party was in power."

Further on Mr. Scott asked Mr. Borden to state whether he believed that the Territories would be entitled to compensation for the 26,000,000 acres of land which had been alienated for Federal purposes. "The hon. gentleman," he continued, "cannot this year, claim ignorance of details, because he has Mr. Haultain's draft bill before him. I will ask the hon. gentleman, as the hon. member for Alberta (Mr. Frank Oliver) asked him, whether he is willing to support Mr. Haultain and the member for Alberta and myself in favor of the propositions of this draft bill, PROPOSITIONS THAT, I BELIEVE, ARE SUPPORTED BY ALL THE PEOPLE OF THE NORTHWEST. For I do not agree with my colleagues from the Northwest (Mr. T. O. Davis and Rev. Dr. Douglas) on this point, BUT BELIEVE THAT MR. HAULTAIN'S PROPOSALS ARE APPROVED WITH PRACTICAL UNANIMITY BY THE PEOPLE OF THE NORTHWEST."

knowledged that the Provinces were entitled to the lands. In his speech, introducing the Autonomy bills, in the House of Commons, on February 21, 1905, he said :—
"I frankly admit, and we must all recognize, that the Provinces in the west, in being DEPRIVED OF PUBLIC LANDS, ARE DEPRIVED OF A VALUABLE SOURCE OF INCOME. And in that way they complain that they are put on a footing of inequality as compared with the older provinces of the Dominion. Realizing that fact, it is the duty of Parliament TO MAKE AMPLE; EVEN GENEROUS PROVISION which will COMPENSATE the Provinces for the retention of the lands by the Federal Government."

Has the provision been ample or generous? Will \$375,000 per year compensate the Province of Sas-

Katchewan for being deprived of resources capable of bringing in million of dollars per annum?

The whole land deal spells discrimination against the new Provinces. They are not regarded as provinces at all, by the Dominion Government, but are treated as dependencies and infant principalities. Wherein lies the inferiority? Are the people of this Province too ignorant, too small, too narrow-minded to be allowed to govern themselves? Are they so prodigal that they may not be trusted to administer their own property? Are they not possessed of all their senses and faculties? Why, then, should the Federal authorities discriminate against them? The insinuation that they are below the average in intelligence or in self-governing ability is plainly conveyed by the action of the authorities at Ottawa. Will the people of the west stand for such an insult?

